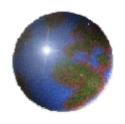




Hawai'i Tourism Asia

2005 Marketing Plan Update

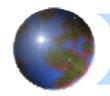




Asia Market Updates

Korea China Taiwan





Korea Update

Korean Economic Update:

- Mixed economic news from Korea in 2004
- Good overall growth of 4.8% in 2004 fuelled by exports which were up 30% in 2004
- Consumption and investment weak in second half of 2004
- Private consumption fell for second straight year in 2004
- Polarization of Korea's economy between weak domestic demand and robust exports
- In 2005, the Korean economy is projected to grow 3.7%
- Export growth is projected to slow to 9% but still amazingly high
- Domestic demand is expected to recover quickly in the second half of 2005





Korea Update

Korea Travel Market Update:

- 8.8 million outbound passengers in 2004, up an amazing 24.5% from 2003, doubling in just 10 years
- One out of every five Koreans went abroad in 2004
- Travel to the USA, however, fell by 8.2% (down 20.6% for leisure travel) due to stricter visa controls
- The visa application system via the internet remains extremely time-consuming and complex
- It now takes over 2 months to secure an interview date
- In the context of a travel market growing by 24.5% in 2004, the U.S. is not participating in this growth





Korea Update

Korea Travel Market Trends:

- 24.5% growth is due to:
 - Introduction of five-day work week
 - SARS recovery
- In 2005, outbound travelers is projected to increase even further with the adaptation of five-day work system by <u>all</u> workplaces starting July 2005
- To meet demands of growing FIT travelers and huge growth in online bookings, more travel agents are focusing on specialization of tour products
- Hawaii Tourism Korea is positioning Hawaii aggressively for specialized tour products in the areas of wellness, culture, golf, wedding/honeymoon etc.





China Update

China Economic Update:

- China's GDP rose dramatically by 9.5% in 2004
- Industrial production rose 11.5% and was the largest contributor to economic expansion
- Investment in fixed assets soared 25.8% year-on-year
- Consumer spending grew an amazing 13.3%
- Total imports and export were up 35.7%
- Foreign direct investment rose 13.3%
- China's total tax revenue exploded 25.7%
- The government is working to cool down this growth, but projections for 2005 remain just as strong





China Update

China Travel Market Update:

- 28.5 million outbound trips in 2004 by 19 million travelers
- 40% more than in 2003 and 12% more than Japan
- Chinese airlines carried 120 million passengers, with industry profits of over \$1 billion, more than in all the previous 10 years <u>combined</u>
- The number of countries with Approved Destination Status (ADS) has soared in the past year from 30 to 91, opening up the world to Chinese group tourists
- Price competition in the China market is fierce





China Update

China Travel Market Trends

- Among the 91 countries awarded ADS status are all 25 countries of Europe, while just last month, Canada, Britain, and Saipan received ADS approval -- they are the beneficiaries of the China boom
- The US, however, still does not have ADS and is closed to leisure groups
- The United States and China have agreed to a reciprocal visa arrangement with both sides offering 12-month multiple-entry business and tourist visas which will benefit frequent travelers
- The key challenges for Hawaii in China remains the lack of ADS status, the lack of direct air access, and the shortage of seats via Japan, the typical gateway



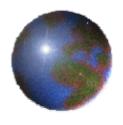
Taiwan Update

Taiwan Travel Market Update:

- Total outbound travel of 7.78 million in 2004 representing one third of the country's population
- Phenomenal growth of 31.36% year-on-year due to impact of SARS in 2003
- USA is top in long haul travel destination, up 12% from 2003
- China Airlines is adding a third direct flight to Hawaii starting March 29. With this, a new 9 day 3 island (Oahu, Big Island, Kauai) package is being introduced and promoted
- New product with romantic theme was introduced and is gaining popularity among agents: Second Honeymoon & Vow Renewal







2004-2005 Asia Marketing





Strategy Update

- Huge growth in outbound travel
- Weak demand for U.S. travel
- Hawaii Tourism Asia's key strategies in this environment are:

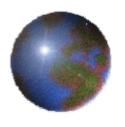
Priority #1: Media Relations

Priority #2: Travel Trade Marketing

Priority #3: Consumer Promotions







Asia Media Relations





Media Relations/PR Strategy

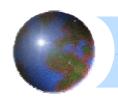
Key Media Relations Strategies

- Raise the visibility of Hawaii in key Asian media Korea focus
- Increase volume of Hawaii media coverage
- De-emphasize high cost advertising

Activities

- Daily media calls
- 15-25 monthly press releases in three languages
- Monthly newsletters in three languages
- Group/Individual media trips to Hawaii every month
- Strong relationship building with Network TV





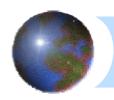
Korea Media Relations/PR

Equivalent advertising value of Korea media January-December 2004

\$130.4 million

Cost to Hawaii Tourism Korea: \$22,000





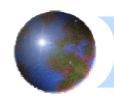
China Media Relations/PR

Equivalent advertising value of China media January – December 2004

\$13.4 million

Cost to Hawaii Tourism China: \$8,000





Taiwan Media Relations/PR

Equivalent advertising value of Taiwan media January-December 2004

\$46.3 million

Cost to Hawaii Tourism Taiwan: \$8,100





Type: Network KBS-TV Coverage <YoYu ManMan>

Date: September 15, 2004

Length: 65 minutes

Viewership: Network TV viewers, mainly housewives

Audience: 5,500,000

AD Value: US\$7.2 Million

Headline: Actress Kim Suh Ra's life in Hawaii

Summary: Korean popular actress Kim Suh Ra shows her life in Hawaii.

Her happy life in Hawaii is revealed via beautiful

Hawaii scenes.



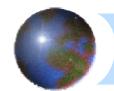












Type: Network SBS-TV Coverage <Global Homestay>

September 22 & 24, 2004

55 minutes

KOREA

Viewership: Network TV viewers from teens to 50s

Audience: 5,000,000

Date:

Length:

AD Value: US\$5.6 Million

Headline: Actress Lee II-Hwa visits a Korean family living in Hawaii

Summary: Introduction to the major tourist attractions of Hawaii

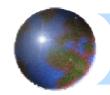












Date:

Type: Network KBS-TV Coverage <World wide>

December 13 & 16, 2004

Length: 60 minutes

Viewership: General viewers from 10~50s

No. of audience: 5,000,000

AD Value: US\$3.4 million

Headline: Aloha Festival and Hawaii's Wonderful Nature

Summary: The program introduces Hawaii traditional culture and history,

dance, music and language.















Type: Network KBS -- Entertainment Tonight

Date: January 15, 2005

2 minutes

Viewership: Network TV viewers from teens to 50s

Audience: 6,600,000 AD Value: US\$440,000

Length:

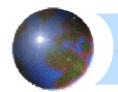
Headline: HTK arranged for Korean superstar singers Bada and J to

visit Hawaii to perform at the 7th Annual Korean Festival of

KOREA

Hawaii





Publication: Tour De Monde Date: January 2005

31 pages

Circulation: 60,000

No. of Page(s):

AD Value: US\$250,800

Readership: Women in 20~30s, especially fashion leaders

Headline: The true Hawaii: Folk art, instruments, quilts, culture Summary: Hawaii's unique history, music, art -- see the beauty of

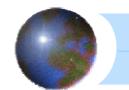
Hawaii by understanding it as a whole.











Publication: Golf Monthly, Golf Digest, Golf Magazine

December 2004 – January 2005

No. of Page(s): 5 pages each

Circulation: 50,000

Date:

AD Value: US\$180,000 in total Readership: Golfers in 20~60s

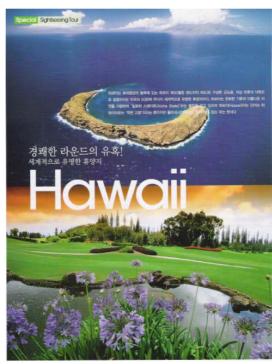
Headline: Hawaii, the world's most famous place for golf

Summary: Hawaii is the golfers paradise for its unique

nature and warm climate. Major golf courses are

introduced in the editorial.







가장 지고 있고, 하와이 참유의 부드러운 산다에다 글록 할 정이기 때문에 경우당도 적은 뿐더러 비가 오면 급명 배수가 는 생활한 지형이라는지 하는 하와이 한 나를리로의 고유한 되어버리는 현무랑 지대로 구성되어 있기에 그런이 음식 박

때하고 예약이 있다. 또한 바다를 인접해서 공포장이 위치하





Publication: Korea Economic Daily & Maeil Business Newspaper

Date: November 1 & 15, 2004

1 full page in each newspaper

Circulation: 1 million each AD Value: US\$200,000 Readership: Mass market

No. of Page(s):

Headline: Big Island – Unique Environment and Exotic Mood

Maui - Time Stops in Maui with Fascinating Tourist

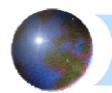
Spots











Publication: National Geographic Traveler

Date: November 2004

CHINA

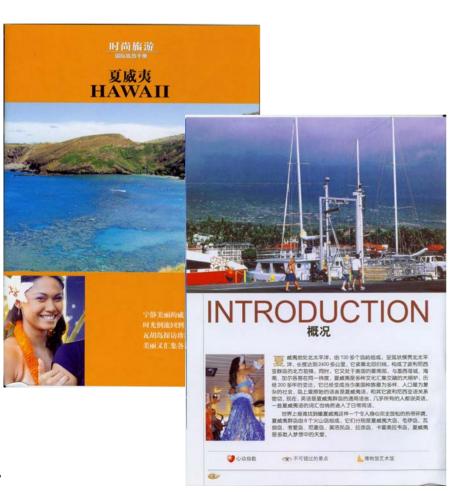
No. of Page(s): 12 full-page travel editorial plus 16-page travel manual

Circulation: 319,000 copies **AD Value:** US\$1,349,396.-

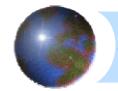
Readership: Mass market readers in 10~60's

Headline: Hawaii 50 First Dates

Summary: Travel editorial and travel manual of Hawaii







Publication: World Traveler

Date: August 2004 / November 2004

No. of Page(s): 24 full pages / 2 full pages

Circulation: 280,000

AD Value: US\$559,032.-

Readership: Mass market readers in 10-60's

Headline: Aloha from Hawaii / Join us in Hawaii

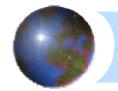
Summary: Hawaii travel editorial / readers club members outing

recruitment note









Publication: Modern Bride

Date: July 2004 / September 2004

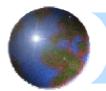
No. of Page(s): 7 full pages / 4 full pages

AD Value: US\$484,000

Readership: Mass market honeymoon travel throughout China

Headline: 7-day visit in Oahu / The Best in Maui
Summary: Hawaii Feature with honeymoon special





Publication: Travelling Scope

Date: October 2004

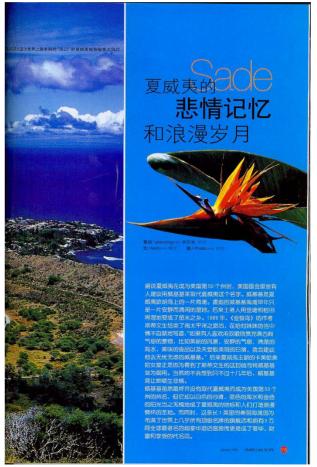
No. of Page(s): 8 full pages

Circulation: 100,000

AD Value: US\$288,000

Headline: Sad Memories and Romantic Years of Hawaii









Publication: Traveler

Date: October 2004

No. of Page(s): 18 full pages

Circulation: 320,000

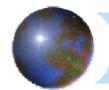
AD Value: US\$648,000-

Readership: Mass market readers 10-60's Headline: Hawaii – how far away from us

Summary: Drive tour, getting married, and luxury hotels in Hawaii.







Date:

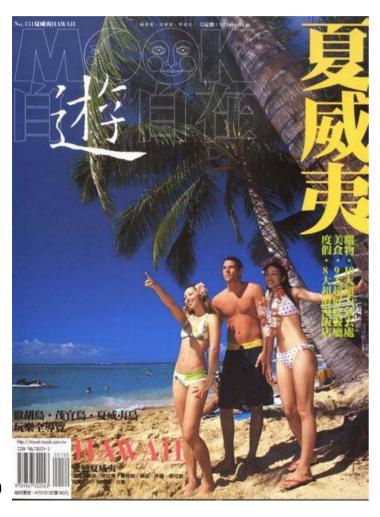
Publication: MOOK Travel Magazine -- Taiwan

January 2005

No. of Page(s): 116 full pages AD Value: US\$ 1,745,600

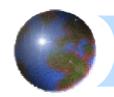
Readership: Mass market leisure travel throughout Taiwan Headline: Single destination -- exclusive issue on Hawaii

Summary: shopping centers, restaurants, hotels, activities, attractions





TAIWAN



Date:

Publication: National Geographic Magazine -- Taiwan

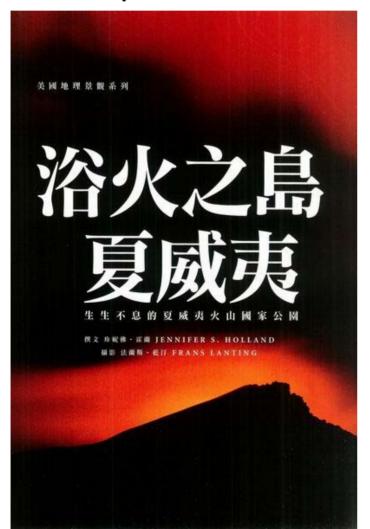
October 2004

No. of Page(s): 22 full pages AD Value: US\$ 454, 200

Readership: Mass market throughout Taiwan

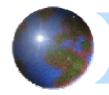
Headline: Magazine Cover – Volcano in Hawaii

Summary: Nature of Hawaii and its volcanoes





TAIWAN



Publication: Sing Tao Daily News - Hong Kong

April 29 & 30, 2004

4 full pages

AD Value: US\$ 74,980

Mass market throughout Hong Kong Readership:

Headline: Maui - Natural Paradise

Attractions in Hawaii: scenic spots, nature, culture, fun activities **Summary:**



Date:

No. of Page(s):





Latatudes & Adatudes Adventures

地址: 180 Dickenson Street, Lahaina, Hawa

WHE: 808 661 7190

(dba Maui Eco-Adventures)

順址,www.ecomau.com 費用:半天專湯之旅每位收60美元(約468港元),包 酒店接送、早餐、交通及導遊費。

HONG KONG

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Airlines至茂官島,來回機票約由140美元

(約2,964港元)起。

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thith: One Ritz-Carlton Drive, Kr

(約1.092海元) 起

電話:808 669 6200

網址: www.ritzcarlton.com

地址: 192 Maalaea Road, Walluku, Maui, Hawai 電話: 808 270 7000

將於5月8日 (下周六)開始至16日,一連9天在國際金融中心商場 (IFC Mall) 舉辦

「純美逍遙集」展覽,讓顧客體驗美國非凡之旅。此展覽

等透過可能率所拉鎖表溶(Hula Dance)、芝加哥昂士學

演奏、人物素指、沙童製作、旅遊資訊展覽及幸運大抽獎

等,將美國4個迷人城市,包括夏威夷、芝加哥、三藩市

· 丹佛的旅遊特色——星現眼前。前來參與的朋友,更不

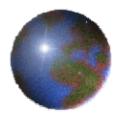
機會贏取機票達測店住宿獎賞、親身探索這些城市呢。

費用:成人20美元(約156港元),小童13美元(約101港元

看福昨日及今日的「優遊派」,是否

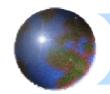
有幾身前往夏威夷一遊的衝動?聯合航空





Asia Travel Trade Marketing





Key Travel Trade Marketing Strategies

- Expand number of packages/range of packages (Korea & Taiwan)
- Educate/motivate travel agents to market Hawaii aggressively
- Emphasize diversity/versatility of Hawaii
- Increase Shoulder Season Travel
- Develop Airlift Capacity (China & Taiwan)

Core Activities

- Daily sales calls
- Monthly newsletter in 3 languages
- Training/educational seminars
- Agent fam trips to Hawaii from Asia
- Agent promotions with key agents
- Trade shows KOTFA/CITM/ITF/PATA





Korea Wedding Blitz

- Hawaii at the 4 largest wedding-related exhibitions in Korea
 - ✓ My Wedding Korea Wedding Fair (Jan 6 ~ 10)
 - ✓ Seoul Wedding Fair (Jan 6 ~ 10)
 - √ WEDDEX (Jan 26 ~ 30)
 - ✓ MBC Wedding Fair (Feb 17 ~ 20)
- Co-promote <Aloha Honeymoon Campaign> with 8 top agents (Hana Tour, Mode Tour, Lotte Travel, Pan Korea Travel, Freedom Travel, Nextour, Honeymoon Travel and Kaya Tour)
- Attract to-be-wed couples to chose Hawaii as their primary honeymoon destination





Korea Wedding Blitz (cont.)

Aloha Honeymoon Campaign

- Visa Fee support for the 'bride-to-be'
- Hawaii-logo giveaway bags to on-site purchasers
- Co-op Campaign Promotion in travel agent booths
- Inclusion of <Aloha Honeymoon Campaign> in travel agent brochures







- Korean Wedding Blitz (cont.)
- Wedding/Honeymoon Exhibitions Booths











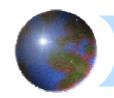


- Korea Wedding Blitz (cont.)
- Honeymoonfair.com Online Honeymoon Fair
 - Korea's First Cyber Honeymoon Fair (Feb. 15 ~ Mar 6)
 - Introduction of over 400 honeymoon resorts around the world
 - Featured over 15 Hawaiian resorts
 - Over 3,000 daily visitors to the site, 50,000 visitors total
 - Lucky draw prize presented to customers who purchased Hawaii honeymoon package on-site









Trade Show Example – CITM Shanghai

- Largest China travel show with 30,000 visitors
- Joint Hawaii booth with Hyatt, Starwood, Waikiki Beachcomber, Naniloa Resort, Polynesian Cultural Center, Air & Sea, Galaxy Tour







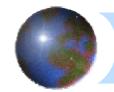
CITM – Aloha Night Shanghai

- Seminar and dinner for 170 key agents and media hosted at Hilton Shanghai.
- Major stage hula performances
- Signing of cooperative agreement between HTC and Jing An District Government's Tourism Bureau









CITM – Consumer Promotion tie-up

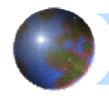
- Jin An Temple Square tie-up
- Attracted more than 160,000 people
- Free booth for CITM participants to distribute promotion materials
- No cost to Hawaii tourism



CITM -- Hotel Tie-up

- Hilton tie-up
- 2 nights performances
- Comp rooms for all staff
- No cost for HTC





Travel Trade Seminars

- Held each month throughout Asia
- In conjunction with Major Travel Agents Associations
- Involving leading travel trade media
- Held within major wholesalers or as stand-alone Hawaii events in major hotels









Travel Agent Fams

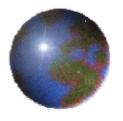
- Invite key travel trade planners from each market with leading travel trade media
- Intensive itinerary developed by Pac Rim from morning to night
- Mini Travel Mart often organized with local vendors
- Accommodation, Air, Meals, and tours, all hosted by vendors in Asia or Hawaii





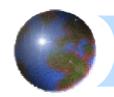






Asia Consumer Promotions





Key Consumer Marketing Strategies

- Raise visibility of Hawaii among consumers
- Launch targeted specific promotions
- Leverage a limited budget via corporate tie-ups
- De-emphasize High Cost promotions

Activities

- Large scale online promotions
- Target-specific consumer tie-up events
- Consumer fairs
- Corporate tie-ups

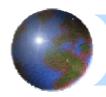




Consumer Show Example – Taiwan ITF

- Largest Taiwan travel show with 115,000 visitors, a 30% increase from previous year
- Hawaii booth 2/3 the size of previous years, developed at a quarter of the cost
- Joint booth with DBEDT, Aloha Airlines, Phoenix Travel, Pop Tour, and Fantasy Travel
- Best location among NTOs main corridor, open on 3 sides, highly visible Hawaii logo, with hula dancers attracting large crowds and huge media coverage



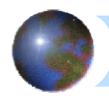


TITF – Hawaii Booth -- mobbed

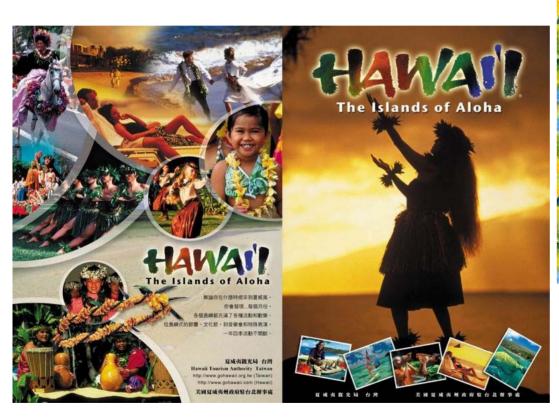








TITF Show collaterals – Hawaii brochure, Hibiscus bag, & CD







Hawaii Booth VIP Guests



Taiwan Minister of Transportation and Tourism Bureau Director General



ANTOR

Association of Major Travel Agents



DBEDT's Taiwan Executive Director





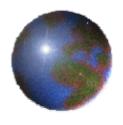
TITF - Focus of Media attention

Hawaii booth featured on all 4 nationwide TV networks









Asia Opportunities to Partner





Korean Opportunities to partner

- Monthly media trips
- Honeymoon Theme Group Press Fam Tour (3rd week of March)
- Busan Agent Fam Tour (2nd week of April): New market development
- Hawaii Travel Mart (4th week of May): meeting place for Hawaii vendors and Korean travel trade (general agent & incentive group agents)
- "Aloha Festival", a co-op marketing promotion with Dole (May): Hawaii-theme events for travel trade, media & consumer
- Korean Drama Production in Hawaii with SBS (June)
- Incentive Tour Planners Fam Tour (2nd Half of 2005)
- Hawaii Travel Guide Book Production in Korean language
- FIT Coupon Program: added benefits for FIT travelers
- Monthly E-mail Newsletters updating Hawaii Tourism Korea activities disseminated to over 600 travel trade & media





China Opportunities to partner

- 8-10 media trips per year
- China Int'l Online Travel Fair & Guangzhou Int'l Travel Fair (March 4-6)
- Qingdao Int'l Tourism Expo (June 16-18)
- Beijing Int'l Tourism Expo (June 22-24)
- China Int'l Business & Incentive Travel Mart (July 25-27)
- The 2nd East Asia International Travel Fair (Aug 26-28)
- Luxury Theme Fam Trip (Travel Trade) (September)
- Hawaii Week in China (To be confirmed) (September)
- China Int'l Travel Mart (Nov 24-27)
- FIT Theme Fam Trip (Travel Trade) (December)
- Monthly E-mail Newsletters updating Hawaii Tourism China activities disseminated to over 700 travel trade & media

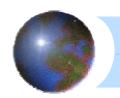




Taiwan/Other Opportunities to partner

- China Airlines Agents and Media Group Fam Tour (2nd week of March)
- China Airlines FIT Agents and Media Group Fam Tour (April)
- Northwest Airlines Hong Kong Agents Group Fam Tour (dates TBA)
- Philippine Airlines Agents & Media Group Fam Tour (to promote PAL Swingaround Honolulu Holiday Package, dates TBA)
- Agents and Media Group Fam Tour being finalized with China Airlines in Hong Kong and Singapore (dates TBA)
- Kaohsiung Travel Fair: Consumer travel show (May 12-15)
- Hawaii Food Festival at The Grand Hotel in Taipei & Kaohsiung (Summer)
- PATA Travel Mart in Kuala Lumpur (Sept 27-30)
- Taipei International Travel Fair (TITF) (Nov. 17-20)
- Monthly E-mail Newsletters updating Hawaii Tourism Taiwan activities disseminated to over 3,060 travel trade & media





Marketing Garden

